

Message Text

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PAGE 01 PARIS 07599 01 OF 03 021954Z
ACTION COME-00

INFO OCT-01 ARA-14 EUR-12 EA-12 ISO-00 EB-08 /047 W
-----091784 022112Z /75

R 021842Z MAR 78
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 8040
INFO AMEMBASSY BELGRADE
AMEMBASSY BONN
AMEMBASSY CARACAS
AMEMBASSY THE HAGUE
AMEMBASSY LONDON
AMEMBASSY MADRID
AMEMBASSY NICOSIA
AMEMBASSY STOCKHOLM
AMCONSUL SYDNEY
AMEMBASSY TOKYO
AMEMBASSY BRASILIA
AMEMBASSY CANBERRA
AMEMBASSY MEXICO
AMCONSUL MILAN
AMEMBASSY MOSCOW
AMEMBASSY ROME
AMCONSUL SAO PAULO
AMEMBASSY SEOUL
AMEMBASSY TAIPEI
AMEMBASSY WARSAW

UNCLAS SECTION 01 OF 03 PARIS 07599

PASS USDOC FOR BED/OIM-MR. J. KENNEALY EXT. 377-4499

E.O. 11652: N/A
TAGS: BEXP, FR
SUBJECT: BIDS FOR GMS SURVEY MACHINE TOOLS

REF: (A) STATE 33733; (B) USDOC 2963; (C) PARIS 4691;
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PAGE 02 PARIS 07599 01 OF 03 021954Z

(D) PARIS A-20 DATED JANUARY 24, 1978

1. SUMMARY. WE RECEIVED 8 BIDS FROM 7 COMPANIES FOR THE FRENCH PORTION OF THE GLOBAL MARKET SURVEY IN MACHINE TOOLS. BIDS, WHICH WERE ACCEPTED IN EITHER FRENCH FRANCS OR U.S. DOLLARS, RANGE FROM \$6,300 TO \$14,000. IN ADDITION ONE BID INCLUDES MULTIPLE BIDS

FOR SPAIN AND THE NETHERLANDS. WE RECOMMEND THAT USDOC
ACCEPT THE PETERSON BID FOR FRANCE. END SUMMARY

2. IN ORDER TO ANALYZE THE BIDS, IT IS IMPORTANT TO
KEEP IN MIND THE SITUATION IN THE FRENCH MACHINE TOOL
MARKET (SEE REF. (D)). THE MACHINE TOOL MARKET IN
FRANCE IS WELL DEVELOPED AND COMPLEX. THERE IS
SIGNIFICANT DOMESTIC CAPACITY, AND IMPORTERS ARE WELL
ESTABLISHED IN THE MARKET. OVERALL MACHINE TOOL
CONSUMPTION HAS EXPERIENCED A LONG PERIOD OF DECLINE IN
FRANCE DUE TO THE ECONOMIC CLIMATE. IN 1977 TOTAL
MACHINE TOOL CONSUMPTION DECREASED 33 PERCENT AND
IMPORTS DECREASED 37 PERCENT. THE U.S. SHARE OF THE
IMPORT MARKET CONTINUED TO DECREASE. THIS ECONOMIC
SITUATION LEAVES US WITH TWO POSSIBLE APPROACHES TO
THE MARKET STUDY.

-- A HIGH QUALITY SURVEY WHICH WILL CLEARLY IDENTIFY
THE MARKET SEGMENTS WHERE OPPORTUNITIES EXIST FOR U.S.
EXPORTERS. A QUALITY SURVEY WOULD ENABLE U.S.
EXPORTERS TO ECONOMIZE BY BETTER FOCUSING THEIR EFFORTS
IN FRANCE.

-- A CHEAP QUICK OVERVIEW TO PROVIDE U.S. EXPORTERS WITH
A RELATIVELY UNFOCUSSED VIEW OF THE OPPORTUNITIES IN THE
MARKET. IN THE LIMIT WITH THIS APPROACH, A DECISION
MIGHT BE TAKEN TO CANCEL THE FRENCH PORTION OF THE
STUDY.

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PAGE 03 PARIS 07599 01 OF 03 021954Z

3. THE BIDS ACTUALLY RECEIVED ARE SUMMARIZED BELOW.
GROUP ONE INCLUDES THOSE WHICH WE BELIEVE WOULD
PROVIDE A QUALITY APPROACH, GROUP TWO INCLUDES THOSE
WHICH WOULD PROVIDE A QUICK OVERVIEW FOLLOW, GROUP
THREE REPRESENTS THOSE BIDS WHICH ARE UNACCEPTABLE DUE TO
LANGUAGE PROBLEMS. ALL FF VALUES ARE TRANSLATED AT
\$1.00 EQUAL TO 4.7550 FF.

GROUP ONE

-- CLAUDE MAHIEUX SUBMITTED TWO BIDS

A) COST - \$10,000 (\$250/INTERVIEW) AND \$14,000
(\$280/INTERVIEW)

B) INTERVIEWS - 40 WITH A GOOD DISTRIBUTION, 50 WITH A
GOOD DISTRIBUTION

C) PREVIOUS EXPERIENCE - MR. MAHIEUX AND HIS STAFF HAVE
GOOD GENERAL CONSULTING EXPERIENCE. THEY HAVE ONLY
LIMITED EXPERIENCE IN THE MACHINE TOOL FIELD. MAHIEUX
DID A 1975 USDOC STUDY ON HOTEL, RESTAURANT AND
INSTITUTIONAL RESTAURANT EQUIPMENT AS A SUBCONTRACTOR
FOR DIEBOLD.

D) THE ENGLISH CAPACITIES DEMONSTRATED ARE ADEQUATE.

E) A GOOD COMPREHENSION OF THE GOALS OF THE STUDY IS
EVIDENT IN THE BID.

-- SEMA

A) COST - 47,000FF (\$9,884) (\$247/INTERVIEW)

B) INTERVIEWS - 40 NO DISTRIBUTION FOR THE INTERVIEWS

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PAGE 01 PARIS 07599 02 OF 03 021956Z

ACTION COME-00

INFO OCT-01 ARA-14 EUR-12 EA-12 ISO-00 EB-08 /047 W

-----091882 022112Z /75

R 021842Z MAR 78

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 8041

INFO AMEMBASSY BELGRADE

AMEMBASSY BONN

AMEMBASSY CARACAS

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY MADRID

AMEMBASSY NICOSIA

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UNCLAS SECTION 02 OF 03 PARIS 07599

IS GIVEN

C) PREVIOUS EXPERIENCE - SEMA HAS EXTENSIVE EXPERIENCE
IN THIS FIELD. THE BID LISTS 10 STUDIES ON MACHINE

TOOLS INCLUDING 2 FOR U.S. MANUFACTURERS. INFORMATION
CONCERNING THE SPECIFIC EXPERIENCE OF THE PERSONNEL
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PAGE 02 PARIS 07599 02 OF 03 021956Z

ASSIGNED TO THE PROJECT IS LIMITED.

D) THE ENGLISH CAPABILITIES DEMONSTRATED IN THE BID ARE
REASONABLE. HOWEVER, THE BID DOES NOT FOLLOW THE
INSTRUCTIONS GIVEN IN THE INVITATION TO BID.

E) THERE IS NO CLEAR INDICATION IN THE BID THAT SEMA
UNDERSTANDS THE GOALS OF THE STUDY.

-- JULIAN PETERSON MANAGEMENT CONSULTANTS

A) COST - \$9,000 (\$191/INTERVIEW)

B) INTERVIEWS - 47 WITH A GOOD DISTRIBUTION

C) PREVIOUS EXPERIENCE - MR. PETERSON HAS A REASONABLE
AMOUNT OF EXPERIENCE IN THIS FIELD. HE INDICATES THAT
HE HAS COMPLETED 4 MARKET STUDIES IN THE FIELD AS WELL
AS SEVERAL OTHERS WITH SIMILAR END-USER INDUSTRIES.
THE IDENTIFICATION OF OTHER PERSONNEL WHO WILL BE
INVOLVED IN THE STUDY IS LIMITED.

D) MR. PETERSON, A NATIVE ENGLISH SPEAKER, HAS
A GOOD COMMAND OF THE LANGUAGE.

E) A COMPREHENSION OF THE GOALS OF THE STUDY IS EVIDENT
IN THE BID.

GROUP TWO

-- CICEM

A) COST - 38,000FF (\$7,992) (\$133/INTERVIEW)

B) INTERVIEWS - 60 WITH A STRONG EMPHASIS ON MACHINE
TOOL MANUFACTURERS (24)

C) PREVIOUS EXPERIENCE - NO EXPERIENCE IN THIS
FIELD IS CITED. NO EXPERIENCE IS GIVEN FOR THE
PERSONNEL ASSIGNED TO THE STUDY. CICEM COMPLETED A
1974 USDOC STUDY ON THE FLUID POWER MARKET IN FRANCE.

D) THE ENGLISH CAPABILITY DEMONSTRATED IN THE BID IS
LIMITED. THE PREPARATION OF THE BID IS VERY SUPERFICIAL.

E) THERE IS NOT SUBSTANTIVE INDICATION THAT
CICEM UNDERSTANDS THE GOALS OF THE STUDY.

UNCLASSIFIED

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PAGE 03 PARIS 07599 02 OF 03 021956Z

-- THARREAU-MARING-ODDOU (TMO) CONSULTANTS

A) COST - 30,000FF (\$6,309) (\$252/INTERVIEW)

B) 25 INTERVIEWS PLUS 5 TELEPHONE INTERVIEWS. NO
REAL DISTRIBUTION OF THE INTERVIEWS IS GIVEN.

C) PREVIOUS EXPERIENCE LIMITED IN THE FIELD (2 STUDIES
CITED). EXTENSIVE FOR USDOC. TMO HELD THE TRADE CENTER
CONTRACT IN 1974.

D) THE ENGLISH CAPABILITY DEMONSTRATED IS REASONABLE,
BUT THERE ARE NOTICEABLE FAULTS.
E) THE BIDDER CLAIMS A CLEAR UNDERSTANDING OF THE
SURVEY'S GOALS BASED ON ITS PREVIOUS EXPERIENCE WITH
THE USDOC.

GROUP THREE - ALL BIDS RECEIVED AFTER THE
DEADLINE OF MARCH 1, 18:00 LOCAL TIME
-- P.A. CONSEILLER DE DIRECTION
A) COST - 35,000FF PLUS EXPENSES NOT TO EXCEED 7,000FF
(UP TO \$8,833)
B) INTERVIEWS - NOT SPECIFIED
C) PREVIOUS EXPERIENCE - NOT SPECIFIED
D) ENGLISH IN THE BID IS POOR. THE BIDDER DID NOT
FOLLOW INSTRUCTIONS.
E) NO INDICATION IS GIVEN THAT THE BIDDER UNDERSTANDS
THE GOALS OF THE SURVEY.

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PAGE 01 PARIS 07599 03 OF 03 021955Z
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R 021842Z MAR 78
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 8042
INFO AMEMBASSY BELGRADE
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UNCLAS SECTION 03 OF 03 PARIS 07599

-- INGENIEURS ET CONSEILS EUROPEENS ASSOCIES (ICEA).
ICEA IS BIDDING ON FRANCE, SPAIN AND THE NETHERLANDS.
A) COST - FRANCE \$8,800 (\$176/INTERVIEW), SPAIN \$7,500
(\$188/INTERVIEW), NETHERLANDS \$6,300 (\$158/INTERVIEW),
SPAIN AND THE NETHERLANDS COMBINED \$11,500 (\$144/
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PARIS 07599 03 OF 03 021955Z

INTERVIEW), ALL THREE COUNTRIES \$20,000 (\$153/INTERVIEW).
B) INTERVIEWS - FRANCE 50, SPAIN AND NETHERLANDS 40
EACH. NO INTERVIEWS OF MANUFACTURERS ARE PLANNED.
C) PREVIOUS EXPERIENCE LIMITED IN THE FIELD. LIMITED
INFORMATION ON THE PERSONNEL ASSIGNED.
D) THE ENGLISH CAPABILITY IS POOR.
E) NO INDICATION IS GIVEN THAT THE BIDDER UNDERSTANDS
THE GOALS OF THE SURVEY.

4. RECOMMENDATION: IN EXAMINING THE BIDS RECEIVED, WE
IDENTIFY TWO WHICH WOULD APPEAR TO PROVIDE A QUALITY
COST EFFECTIVE SURVEY, SEMA AND PETERSON. THE BIDS IN
GROUP THREE DO NOT SHOW THE ABILITY TO PROVIDE A REPORT
IN CLEAR READABLE ENGLISH. CICEM AND TMO PRESENT BIDS
THAT WOULD APPEAR (FROM THE FORMER'S PRICE/INTERVIEW
RATIO AND THE LATTERS LIMITATION OF INTERVIEWS) TO LACK
THE DEPTH OF STUDY REQUIRED FOR A QUALITY REPORT. THE
CLAUDE MAHIEUX BIDS ARE HIGHER COST AND LACK A
JUSTIFICATION FOR THE HIGHER PRICE.

5. BETWEEN THE SEMA AND PETERSON BIDS A CHOICE IS
RELATIVELY DIFFICULT. SEMA PROVIDES EXTENSIVE
EXPERIENCE, BUT THE FAILURE TO FOLLOW THE REQUESTED
FORMAT FOR THE BID IS DISTURBING AND THE
LANGUAGE CAPABILITY MAY PROVE TO BE A PROBLEM. PETERSON
PROVIDES A LIMITED AMOUNT OF EXPERIENCE BUT A VERY
SOLID PROPOSAL AND A LOWER COST THAN SEMA. WE THEREFORE
RECOMMEND THAT USDOC ACCEPT THE PETERSON BID FOR FRANCE.

6. ALL OF THE BIDS WERE SENT TO USDOC, ATTENTION:
J. KENNEALY ONE COPY BY AIRMAIL AND ONE COPY BY AIR
POUCH. THE BIDS FROM GROUP THREE WILL FOLLOW THE
OTHERS SINCE THEY WERE RECEIVED AFTER THE DEADLINE.
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PAGE 03 PARIS 07599 03 OF 03 021955Z

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Message Attributes

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Disposition Date: 01 jan 1960
Disposition Event:
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Disposition Reason:
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Reference: 78 STATE 33733, 78 PARIS 4691
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Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3140852
Secure: OPEN
Status: NATIVE
Subject: BIDS FOR GMS SURVEY MACHINE TOOLS
TAGS: BEXP, FR
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/f9dabab9-c288-dd11-92da-001cc4696bcc
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